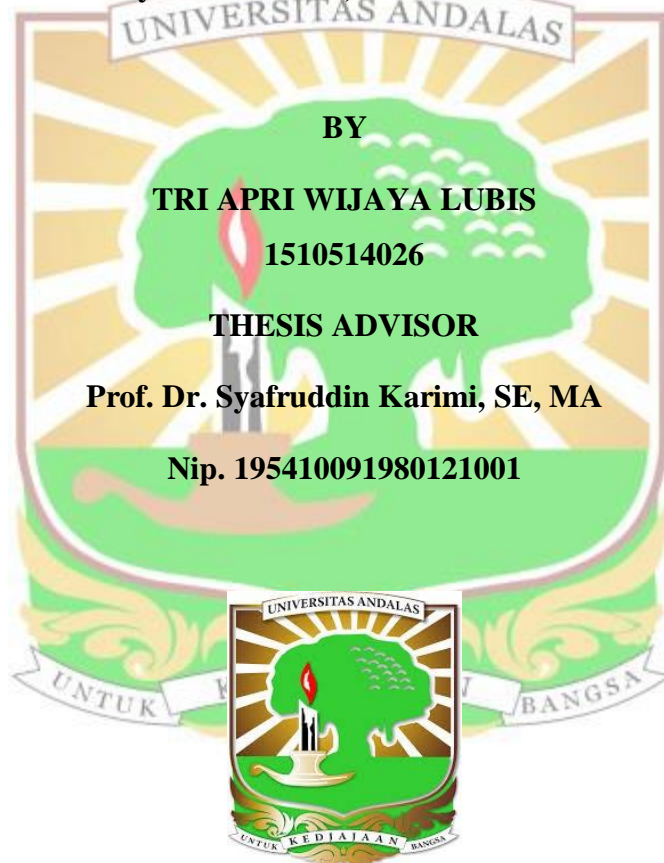


**THE EFFECT OF THE POLITICAL STABILITY  
ON THE INDONESIAN ECONOMY**

**THESIS**

**Prepared and submitted to fulfillment of the requirement to achieve the  
degree of Bachelor of Economics in the Department of Economics,**

**Faculty of Economics, Universitas Andalas**



**BY**

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| <p align="center"><b>THE EFFECT OF THE POLITICAL STABILITY ON THE INDONESIAN ECONOMY</b><br/> <b>Thesis by: Tri Apri Wijaya Lubis</b><br/> <b>Thesis Advisor by: Prof. Dr. Syafruddin Karimi, SE, MA</b></p> <p align="center"><b>ABSTRACT</b></p> <p><i>This study aims to see the impact of political stability on the Indonesian economy as measured by the rate of economic growth in 2009-2017. The data used is secondary data, with all data taken from the Central Bureau of Statistics. This research model uses a regression data panel using Random Effect Model as the best model . Based on empirical result, Government Consumption Expenditure, Export, Import, and Gross Fixed Capital Formation has an impact for GRDP. And another finding reveals that Gini Ratio and Indonesian Democracy Index is not significant on GRDP. It can conclude that manifest variables from political stability have variables that affect and do not affect on Indonesian economic growth</i></p> <p><b>Keyword: Political stability, government consumption expenditure, export, import, gross fixed capital formation, gini ratio, Indonesian democracy index, and economic growth.</b></p> <p>This thesis has been presented before the examiners in the thesis examination and successfully passed the thesis examination on October 11<sup>st</sup> 2019</p> |  |                                  |                                     |

The abstract has been approved by the advisor and examiners:

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